



Recycling Program Enforcement Branch – Quarterly Update

January 24, 2017



COMPLIANCE AND REVIEW SECTION

- PRU staff assessed civil penalties for 22 of 48 sites visited for repeat violations.
- All handling fee denials were due to sites not accepting all eligible CRV containers.



INVESTIGATIONS SECTION

- During this quarter, Investigations focused on the Bakersfield area and found 76% of sites visited to be in non-compliance.



ACCUSATIONS

Accusations filed & served October 1 – December 31, 2016:

No new accusations were filed & served during this time period.



ACCUSATIONS

**Accusations resolved as of December 31, 2016 ~ filed
& served after CY 2013:**

Participant Name	Date Filed	Amount Assessed	Date Finalized	Resolution
Valero Recycling	09/30/15	\$655,400.00	07/25/16	\$655,400.00*
Dougherty's Recycling	06/02/15	\$181,500.00	07/02/16	\$181,500.00
American Green Recycling	08/26/15	\$43,000.00	07/15/16	\$43,000.00
Jayden Recycling	11/17/15	\$713,228.12	12/13/16	\$181,500.00
	TOTAL:	\$879,900.00	TOTAL:	\$879,900.00

*Conditional waiver in place.



DOJ INVESTIGATIONS/ARRESTS

- DOJ Arrest near Blythe – July 19, 2016
- Phoenix-Based recycling fraud scheme involving:
 - Semi-truck with an attached 53' trailer to import loose empty beverage containers from Phoenix
 - Driver taking a 70 mile detour to avoid the CDFA border station in Blythe, CA
 - California Highway Patrol assisting DOJ agents stopping the truck
 - Illegal redemption of imported materials for CRV at recycling centers in CA



DOJ INVESTIGATIONS/ARRESTS





DOJ INVESTIGATIONS/ARRESTS

- Individual arrested and tractor-trailer impounded (Charges include conspiracy, grand theft & felony recycling fraud)
 - Julio Bolanos, 40, Los Angeles, CA.
- Material seized:
 - 7000 lbs. of Aluminum and PET empty beverage containers worth an estimated **\$11,000** in potential California Redemption Value.



DOJ INVESTIGATIONS/ARRESTS

- DOJ Arrest – October 18, 2016
- Arizona-Based recycling fraud scheme involving:
 - Semi-truck with an attached 53' trailer to import loose empty beverage containers from Glendale, AZ
 - Driver taking a 70 mile detour to avoid the CDFA border station in Blythe, CA
 - Agents initiating a traffic stop in Blythe, CA
 - Driver admitting to transporting empty beverage containers from AZ to CA with the intent of committing fraud against the Beverage Container Recycling Program



DOJ INVESTIGATIONS/ARRESTS

- Individual arrested and tractor-trailer impounded (Charges include conspiracy, grand theft & felony recycling fraud)
 - Individual arrested can not be identified due to an ongoing criminal investigation.
- Material seized:
 - Aluminum – 5,560 lbs.
 - PET – 1,600 lbs.
 - Total CRV if illegally redeemed = **\$10,633.20**



DOJ INVESTIGATIONS/ARRESTS

- DOJ Arrests – January 10, 2017 involving:
 - Two unrelated semi-trucks with attached 53' trailers to import loose empty beverage containers from Arizona
 - Drivers using routes to avoid the CDFA border station in Blythe, CA
 - Agents stopped the trucks in Blythe, CA



DOJ INVESTIGATIONS/ARRESTS





DOJ INVESTIGATIONS/ARRESTS

- Individuals arrested and two tractor-trailers impounded (Charges include conspiracy, grand theft & felony recycling fraud)
 - Two individuals were arrested.
 - Unable to release case specifics so as not to jeopardize an ongoing multistate criminal investigation.



DOJ INVESTIGATIONS/A

- **Material seized:**

- **Truck 1**

- Aluminum – 5,727 lbs.
 - PET – 2,404 lbs.
 - Total CRV if illegally redeemed = **\$11,876.19**

- **Truck 2**

- Aluminum – 5,563 lbs.
 - PET – 1,200 lbs.
 - Total CRV if illegally redeemed = **\$10,173.91**

Grand total CRV if illegally redeemed = \$22,050.10



DOJ ARRESTS

- Full press release available at:

<http://www.calrecycle.ca.gov/NewsRoom/2016/10Oct/19.htm>



QUESTIONS ?